

SENATE BILL 2835
By Dixon

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 11, relative to property tax assessment of intangible personal property.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 11, is amended by adding the following new section:

Section 67-5-11___. (a) The value of such real property and tangible personal property of investment companies shall be ascertained in the same manner as the real property and tangible personal property of other taxpayers.

(b) The value of the balance of the corporate property and capital stock employed in Tennessee by such company shall be ascertained in the following manner:

(1) The assessor shall first determine the aggregate amount of the issued and outstanding capital stock and surplus of such company, as shown on its annual statement, and shall deduct therefrom:

(A) One fourth (1/4) the sum of the value of the property held at the end of each calendar quarter by such company, which is exempt from

ad valorem property taxation under any law of this state, or of the United States; and

(B) The appraised value of all the real and tangible personal property of such company situated in and having a permanent situs in other states;

(2) The assessor shall then apportion such remaining value to this state on the basis of the following two (2) ratios:

(A) The ratio of the Tennessee generated revenue to the total revenue of the company;

(B) The ratio of the aggregate of the Tennessee revenue generated capital stock to the total capital stock of all companies subject to this part as reported to the division of property assessments.

(3) From the apportioned value, the assessor shall deduct:

(A) the assessed value of all real property and tangible personal property of such company otherwise assessed or returned for taxation in Tennessee; and

(B) the assessed value of all real property in Tennessee occupied by such company, and which has been registered in the county where such principal office is located; and the remainder shall constitute the value of the balance of the corporate property and the capital stock employed in Tennessee by such company.

(C) The assessor shall make the assessment on such value at the same percentage or ratio of assessment to value of property as was provided by law.

SECTION 2 This act shall take effect upon becoming a law, the public welfare requiring

it.

